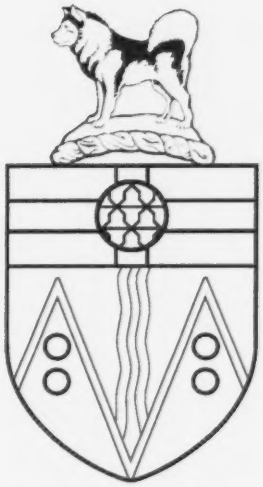

Budget Address
2013 - 2014

presented by

Premier
Darrell Pasloski

First session of the Thirty-Third
Yukon Legislative Assembly

Whitehorse, Yukon
March 21 2013

ANOTHER $1 BILLION BUDGET

Mr. Speaker, Honourable Members, it is my honour and privilege today to table the 2013-2014 Budget, another $1 billion budget, Mr. Speaker, the second budget of the Thirty-Third Yukon Legislative Assembly.

The ten previous budgets tabled by three successive Yukon Party governments have helped make the economy of the territory one of the strongest in Canada and have placed Yukon in an enviable fiscal position.

The Government of Yukon's Budget for 2013-2014 is $1 billion and $230 million.

The Operations and Maintenance Budget totals $977.35 million, of which $88.696 million is recoverable.

The Capital Budget is $252.772 million, of which $53.98 million is recoverable.

This is the fifth Yukon government budget to exceed the $1 billion threshold, more than a doubling of the budget when the Yukon Party government took office in 2002.

Mr. Speaker, the 2013-2014 Budget, like its immediate predecessor, has a healthy $72.878 million surplus.

Some of the funding pressures the Government of Yukon is facing that I noted in my 2012-2013 Budget Address are even more relevant today, namely:

- the Building Canada Plan expires in 2016 and still no replacement fund has been announced by Canada;
- the Territorial Health System Sustainability Initiative expires in 2014 and to date there is no federal commitment to extend the initiative beyond that date;
- funding by the Government of the United States for the Shakwak Agreement to upgrade and maintain the South Alaska Highway and the Haines Road was removed from the US government's 2012 transportation bill which means the $280 million to $340 million estimated to complete the work is no longer in place;

- Yukon's growing population will require the construction of more schools as well as an expansion of the Whitehorse General Hospital; and
- Yukon's expanding economy will require more Yukon government investment in energy, transportation and communication infrastructure.

In my mandate letters to Ministers, I pointed out that while Yukon's economic outlook is extremely positive, we must be cognizant that the percentage increase in our Territorial Formula Financing Agreement for subsequent years will be significantly lower than in recent years.

Some of this funding pressure can be accommodated by increased revenues from the private sector due to Yukon's strong economy; however, we must continue to live within our means in meeting our platform commitments.

Having a healthy surplus now will also assist our government in responding to these potential emerging priorities and pressures.

2013 – A YEAR OF IMPORTANT ANNIVERSARIES

Mr. Speaker, 2013 is a year of important anniversaries, anniversaries that changed the course of history and made Yukon what it is today.

The list of anniversaries is impressive.

It is the 50th Anniversary of the establishment of Yukon College and the 40th Anniversary of the presentation of "Together Today for Our Children Tomorrow", the foundation document of the Yukon First Nations Land Claims.

It is the 30th Anniversary of the running of the Yukon Quest and the 20th Anniversary of the signing of the Umbrella Final Agreement and the first four Yukon First Nations Self-Government and Final Agreements.

Finally, it is the 10th Anniversary of the Devolution Transfer Agreement and the new *Yukon Act*, transferring the control and management of Crown land and resources from the Government of Canada to the Government of Yukon effective April 1, 2003.

Mr. Speaker, the story of Yukon College began on June 11, 1963 with the opening of the Yukon Vocational and Technical Training Centre located at what is now the Yukon Education Building.

Then came university-level courses and campuses in the communities until increasing public demand for post-secondary education led to the creation of a territorial college in 1983, another key date, under the auspices of the second Yukon Party government.

Our current Yukon Party government has a 2011 platform commitment to ultimately transform Yukon College into a northern university, the first university North of 60.

We are also committed to providing land and resources for the development of the Centre for Northern Innovation in Mining at Yukon College.

A proposal has been submitted to our government and the Government of Canada through Human Resources Development Canada and CanNor to fund the centre over the next five years.

Yukon College is continuing to play a pivotal role in educating and training Yukoners for Yukon opportunities.

One can only imagine the advancements Yukon College will make over the course of its next fifty years.

Mr. Speaker, "Together Today for Our Children Tomorrow" was presented to Prime Minister Trudeau in Ottawa by Elijah Smith and a delegation of Yukon First Nation leaders on February 14, 1973.

This document is the founding document for the settlement of Yukon First Nation Land Claims.

It is credited with helping to start the comprehensive land claims process in Canada.

"Together Today for Our Children Tomorrow" started a forty year journey in the territory to settle land claims.

While Yukon still has three settlements agreements outstanding, the eleven settlement agreements it has achieved represent almost half of the twenty-four modern treaties in Canada.

In celebrating the 40th Anniversary of "Together Today for Our Children Tomorrow", it is important to recognize that Yukon First Nation land claims had been put forward as early as 1901 and 1902 when Chief Jim Boss of the present day Ta'an Kwach'an First Nation outlined his concerns dating back to the time when some of the early effects of the Klondike Gold Rush and development were being experienced by the Yukon First Nations people.

Mr. Speaker, it is the 30th Anniversary of the Yukon Quest International Sled Dog Race, the toughest sled dog race in the world.

The dog team, including the Malamute standing atop Yukon's Coat of Arms, are iconic symbols of the spirit of the North that celebrate the history of mushing in the territory as one of the first modes of transportation associated with the Gold Rush, trappers, traders and mail carriers who played a key role in the early development of the territory.

It is this legacy that inspired the creation of the Yukon Quest thirty years ago and why we continue to celebrate its running today.

Mr. Speaker, it is the 20th Anniversary of the signing of the Umbrella Final Agreement and the first four Self-Government and Final Agreements for the Champagne and Aishihik First Nations, the Teslin Tlingit Council, the Nacho Nyak Dun and the Vuntut Gwitch'in on May 29, 1993.

These agreements were ratified and signed off under the stewardship of the Yukon Party government led by Premier John Ostashek.

In addition to providing ownership and management of Yukon First Nation lands and resources, as well as self-governing powers, these agreements establish key mechanisms for cooperation in areas such as wildlife management, land use planning and the assessment of development projects under the *Yukon Environmental and Socio-Economic Assessment Act.*

A host of boards and committees involving both First Nation and Yukon government appointees, and sometimes federal representatives play a key role in planning Yukon's future.

Yukon is indeed fortunate to have eleven of fourteen settled land claims in the Territory.

The recent appeal by the Government of Yukon to the Supreme Court of Canada in relation to the Yukon Court of Appeal's Ross River Dena Council ruling regarding the staking of mineral claims under the free entry system in areas of unsettled land claims demonstrates just how important these land claims settlements are.

Without land claims agreements, governments – federal, provincial, territorial and First Nation – as well as industry have to seek clarity from the courts regarding consultation and accommodation requirements for First Nations on development activities within First Nation traditional territories.

Having eleven of fourteen settled land claims gives Yukon a distinct advantage over other jurisdictions in Canada that do not have such treaties.

Mr. Speaker, it is the 10th Anniversary of the Devolution Transfer Agreement and the new *Yukon Act* that transferred the control and management of Yukon land and resources from the Department of Indian Affairs and Northern Development to the Government of Yukon effective April 1, 2003.

Devolution gave the territory similar legislative responsibilities as the provinces in managing Crown land and resources.

Devolution, together with the settlement of Yukon First Nation land claims, and Yukon Party government policies and administration put Yukon on the pathway to prosperity

A DECADE OF DEVOLUTION -- A DECADE OF PROGRESS AND PROSPERITY

Mr. Speaker, April 1, 2013 will mark ten years since the Yukon Party government took over control and management of territorial Crown land and resources.

Our sister territory, the Northwest Territories, is about to embark on this same devolution journey with the recent signing of a devolution agreement in Yellowknife on March 11, 2013.

We wish them God Speed in their journey and hope that the agreement will be as beneficial to the people of the Northwest Territories as Yukon's devolution agreement has been for Yukoners in the last decade.

Over the course of these last ten years, Yukoners have experienced significant progress and advancements economically, environmentally and socially as a consequence of devolution and Yukon Party government administration.

Yukon has posted nine consecutive years of real GDP growth, and has exceeded the national growth rate in eight of those years.

Yukon's real GDP growth rate of 6.5 percent for 2011 was the highest growth rate of any Canadian jurisdiction.

Growth in 2011 was built on the strong growth of 5.7 percent for 2010, and an incredible growth of 7.7 percent in 2009 when the rest of Canada and the world saw their economics contract.

The Yukon government's budget in 2003-2004 was $550 million. Over the last ten years, our budget has more than doubled primarily because of devolution.

While government spending did increase significantly over this time period, public sector contributions to GDP decreased from 39 percent to 30 percent while the private sector's contribution to total GDP has been increasing primarily because of the growth in the mining sector.

In 2011, mining and oil & gas was 23 percent of GDP, with total GDP amounting to $2.3 billion.

Yukon's GDP for 2012 is projected to reach $2.5 billion, more than double that of 2002.

A decade ago Yukon's population was 30,000. Now it is more than 36,000.

Ten years ago our labour force was 17,000. Now it is 20,000.

In 2002, our unemployment rate was 9.5 percent. Now it is 6.6 percent.

Mineral production in 2002 was sustained mainly by placer gold production which was estimated at $25 million.

In 2012, the value of mineral production is estimated to total about $450 million, up from $402 million in 2011.

In 2002, mineral exploration was less than $10 million, while in 2011 it reached a record high of $300 million.

In 2011, Yukon experienced its second gold rush and the largest staking rush in its history with more than 114,000 new quartz claims staked.

While it is recognized this high level of staking is unsustainable, current estimates for exploration in 2012 are about $150 million, the third highest level on record.

In 2012, over 80 exploration projects were active in the territory with over 30 of them spending at least $1 million each.

Yukon has seen nearly $1.3 billion in exploration investment over the last ten years.

There are currently three producing mines in Yukon, six projects in the permitting stage and ten at an advanced exploration and feasibility stage.

Oil and gas development also looks promising.

Apache Resources has reported the discovery of one of the largest shale gas deposits in the world – approximately 48 trillion cubic feet in the Liard Basin that straddles the Yukon-B.C. border.

Another example is Northern Cross in the Eagle Plains area, which we see as a positive sign that there is interest in the territory's oil and gas resources in both northern and southern Yukon.

Tourism continues to be a mainstay of the Yukon economy, currently generating more than $200 million a year in revenue for Yukon businesses, with 30 percent of all businesses receiving some revenues from the industry.

Tourism performance has continued to remain steady with increases in visits and growth in this sector in each of the past ten years.

Mr. Speaker, the decade of devolution has been good for Yukon and good for Canada ushering in a decade of progress and prosperity.

PROMOTING A STRONG, DIVERSIFIED PRIVATE SECTOR ECONOMY

Mr. Speaker, promoting a strong, diversified private sector economy has been a consistent tenant of successive Yukon Party governments since 2002.

Our objective has been and continues to be to develop an economy that is less dependent upon government spending and more reliant on the private sector.

As I mentioned earlier, the Yukon economy is trending in this direction with the public sector's contribution in 2011 decreasing from 39 percent to 30 percent and the mining and oil & gas sector increasing to 23 percent of GDP.

Our government believes it is important to create new wealth as opposed to redistributing existing wealth.

The territory's appeal for mining investment is also trending in the right direction.

The Fraser Institute Survey of Mining Companies 2012-2013 recognized Yukon as the eighth leading jurisdiction in the world for mining, up from tenth last year.

Availability of skilled labour, infrastructure, investment security, political stability and low levels of regulatory uncertainty are all factors in achieving this rank.

Our government recently authorized two new mining operations to go into production: Alexco's Lucky Queen and Onek mining properties located in the Keno Hill Silver District.

In view of the fact that prospectors and junior mining companies are facing challenges in raising capital for the upcoming field season, our government is investing $770,000, a $200,000 enhancement, to the Yukon Mining Incentive Program (YMIP) to help sustain mineral exploration this year. YMIP typically leverages private sector investment of four times what government provides. YMIP led to many significant discoveries, including the White Gold area.

Mr. Speaker, under the Devolution Transfer Agreement, the environmental liability for the abandoned Faro Mine is owned by the Government of Canada who agreed to fund the Faro Mine Remediation Project which is coordinated by the Yukon government.

To date, our government has relied on annual funding secured through an annual work plan and budget.

As the Faro Mine Remediation Project gets ready to implement the remediation plan, a greater degree of certainty regarding the multi-year scope, schedule and budget of the project is needed to enable the project to succeed.

In 2013-2014, Canada and the Yukon government are expected to finalize the five-year plan and secure the necessary funding to allow the project to proceed through the YESAB and permitting processes.

The Yukon government leads efforts to address environmental issues at the Faro Mine. This includes managing ongoing site operations for care and maintenance and developing and implementing a long-term remediation plan. The 2013-2014 Budget allocates $20.347 million to the Assessment and Mines Branch to develop and implement cost-effective approaches to protect the environment and human health and safety at the former Faro Mine while maximizing training, employment and business opportunities within Yukon.

Mr. Speaker, historically the major markets for Yukon's resources, primarily lead-zinc from the Faro Mine, was the Asia-Pacific region first to Japan and then to South Korea.

Although the Faro Mine is now closed, the Asia-Pacific theatre is still the major market focus for Yukon's resources.

In January of this year, our Minister of Economic Development travelled to Beijing, Hong Kong and Tokyo on a trade mission to Asia highlighting Yukon as a modern territory with extraordinary mineral resources and untapped business potential.

In September of last year, I myself was in China as part of a Council of Federation Mission and signed a five year agreement, the Yukon-Shaanxi Sister Province Agreement, with Governor Zhao.

For the past several years, the Yukon Party government, thanks to the efforts of my predecessor, Premier Dennis Fentie and his Minister of Economic Development, Jim Kenyon, worked hard to increase China's awareness of Yukon as a desirable place to do business.

In particular, Yukon and Shaanxi Province have developed a special bond with numerous visits already having taken place and the sister-province agreement I signed on September 18, 2012.

The sister-province agreement encourages exchanges and cooperation in areas of trade, investment, resource exploration, mine development and tourism.

Establishing a formal relationship is considered an important element in Asian culture, and this agreement is an opportunity for us to take our relationship with Shaanxi to the next level.

Mr. Speaker, I have already mentioned how important tourism is to the Yukon economy and Yukon businesses.

In this regard, I would like to thank Yukon's Member of Parliament, Yukon's Senator and the Tourism Industry Association for all their hard work in seeing that two of Yukon's major tourist attractions – the S.S. Klondike and Dredge No. 4 – will have guided tours this coming summer.

The Department of Tourism and Culture is providing $19,000 working in partnership with the Selkirk First Nation to fund wilderness interpretation training and employment for three Pelly Crossing residents this summer to perform maintenance and provide guided tours to visitors at the Fort Selkirk Historic Site.

There are a number of other collaborative economic and tourism projects with Yukon First Nations.

The Teslin Tlingit Council is developing a comprehensive tourism strategy for the Teslin region and in February the Department of Economic Development reviewed the Tr'ondëk Hwëch'in Regional Economic Development Plan.

The Carcross-Tagish First Nation is receiving $88,748 to continue the creation of a world-class trail network by the construction of a trail that will run from the MacDonald Creek Trail and connect with the lower Wolverine and Fox Creek Trails to take users back to Carcross.

April's issue of "Outside Magazine", a major outdoor magazine, has named Carcross and Whitehorse as the top destinations for mountain biking.

Our government continues to invest in Destination Yukon to grow Yukon tourism revenues as well as in the Yukon Visitor Tracking Program and in consumer websites that play an important role in promoting and highlighting Yukon as a travel destination to the world.

Supported by CanNor, Tourism and Culture is conducting an archaeological site inventory in partnership with Tr'ondëk Hwëch'in and Na-Cho Nyak Dun as well as Energy, Mines and Resources and Economic Development to assist the placer mining industry in meeting regulatory and YESAA requirements.

Total funding for the project is $479,000 with $253,000 being provided in 2013-2014.

Another collaborative venture with the placer mining industry is the Yukon Paleontology Program's Klondike Goldfields Initiative.

This two-year program supports the Yukon government's acquisition of important ice age fossils for public benefit with $168,000 being provided in the 2013-2014 Budget to carry out this initiative.

Our government is also supporting the Northern Cultural Expressions Society with funding for the next three years for the carving programs that help emerging artists develop the artistic, social and business skills required for personal success.

Funding of $345,000 is being provided in the 2013-2014 Budget to support the work of this society.

In addition, our government is providing $200,000 to enable eighty Yukon performing, visual, literary, culinary and fashion artists to be showcased in Ottawa this spring for the ten-day Northern Scene Festival.

Mr. Speaker, while I have referred to 2013 as being the year of anniversaries, 2014 will be the 50th Anniversary of Yukon Sourdough Rendezvous Society, and in recognition of this event our government will be providing an enhancement of $25,000 for a total of $75,000 to the society.

Our government has also been successful in attracting some major conferences to the territory.

This May, over two hundred museum delegates and exhibitors will be attending the Canadian Museum Association's annual conference in Yukon.

This event will be followed in October by the Conference Board of Canada's Centre for the North hosting their annual conference in Whitehorse.

This conference is expected to attract three hundred delegates and focus on economic and social issues pertaining to Canada's North.

The Centre for the North is an initiative of the Conference Board of Canada that began in 2009 with the goal to bring Aboriginal leaders, businesses, governments and community advocates together to identify challenges and opportunities and to decide how those challenges can be met.

Both mining and tourism are largely dependent upon Yukon's transportation infrastructure – our primary roads, secondary roads, rural roads, resource roads, bridges and airports.

While the funding for the Shakwak project was removed from the United States government's transportation bill, the Yukon government still has in reserve $48 million of U.S. funding for Shakwak construction work over the next two to three years.

Accordingly, we will be spending $4 million this year on permafrost remediation to stabilize the north Alaska Highway and improve the drainage capacity and replacement of deteriorating BST surface with hot mix asphalt on the Haines Road.

A further $13.5 million will be spent on pavement overlay for the Haines Road.

Our government is allocating $4.35 million for rehabilitation of existing pavement on sections of the Alaska Highway totalling 10.7 kilometers with either full pavement overlay or recycling pavement into base course and resurfacing with BST.

The Campbell Highway will be undergoing reconstruction from km 10 to 190 with an allocation of $8.5 million.

This is a high standard road which provides a safe route for the mix of industrial and private traffic currently using the highway.

Another $1.5 million will be utilized to carry out surface repairs on other sections of the Campbell Highway.

The Atlin Road will see clearing, reconstruction, BST and revegetation from km 22 to 36 at a cost of $2.805 million.

Mr. Speaker, our government has been working collaboratively with the Vuntut Gwitchin First Nation government to fund the Yukon government contribution to the 2014 winter road project and the 2013-2014 Budget allocates $700,000 for this purpose.

Other highway improvements include:

- $2 million for the second year of a two year project to reconstruct and resurface the Hot Springs Road;
- $500,000 to complete safety improvements such as guardrail replacement or repair, rock fall protection and subgrade improvements on primary highways;
- $500,000 for Alaska Highway Whitehorse corridor planning;
- $500,000 for aggregate production and surfacing of the Silver Trail;

- $1.25 million for surfacing, spot repair and erosion control on the Dempster Highway;
- $500,000 for the Resource Access Road Program;
- $200,000 for the Rural Road Upgrading Program;
- $1.35 million for improvements to the North Canol Road; and
- $870,000 for surfacing and safety improvements for various secondary roads.

Bridge work includes $1.88 million for rehabilitation of the bridges at Stewart River, Yukon River at Carmacks, Haldane and Wagon Creek.

A further $500,000 has been allocated for rehabilitation design of the Nisutlin Bay Bridge.

Mr. Speaker, $2.353 million will be invested in Yukon wide aerodromes to address airside deficiencies.

Projects include airfield leveling, brushing, safety and security improvements as well as lighting, navigational aid upgrades, installation of Run up Pads and application of EK 35 runway enhancement at Burwash, Dawson and Mayo.

Mr. Speaker, while mining and tourism are going to continue to be major strengths of the Yukon economy over the course of the next two decades, other sectors such as oil and gas, agriculture, forestry, value-added manufacturing, film and sound, communication, information technology and knowledge-based industries, will all help diversify the Yukon economy.

A diversified economy is a strong economy.

As I noted previously, Yukon has substantial reserves of oil and gas in the Eagle Plains area of northern Yukon and the Liard Basin in southeast Yukon not to mention the potential reserves offshore in the Beaufort Sea.

The provision of affordable, clean energy is one of the territory's biggest challenges.

While our longer-term goal is to focus on larger scale hydro-electric power, our near to medium term goal is to focus on the development of the natural gas industry, in particular on Liquified Natural Gas (LNG).

I would like to mention with respect to our longer-term goal, that our government met with Governor Parnell in January to discuss a feasibility study of connecting the Yukon grid to Skagway and south-east Alaska together with a fibre optic cable for communication redundancy.

In the near-term, our government is currently consulting on a draft regulation to oversee gas processing plants in the territory.

Gas processing plants, which include LNG storage facilities, require specialized regulation to allow for comprehensive oversight of their construction and operation.

This regulation would apply to LNG electrical generation facilities, including any which may be developed by utilities or mining companies that choose to use LNG to generate electricity instead of diesel.

Our government is also committed to engaging Yukoners in public dialogue regarding the potential development of the shale gas industry in northern Yukon in conjunction with the Vuntut Gwitchin government and in southeast Yukon in conjunction with the Liard First Nation.

Mr. Speaker, the agriculture industry helps to diversify the Yukon economy.

Last year's annual Agriculture Ministers meeting was held in Whitehorse co-hosted by Yukon and Canada.

Our government recently signed the Canada-Yukon Growing Forward 2 multilateral agreement.

The original Growing Forward initiative helped bring Yukon grown meats to local restaurants through the mobile abattoir and meat inspection services.

Its projects assisted farmers by funding cooperative farm equipment, assisting farmers in making direct sales by supporting the farmers' markets, improving environmental performance through the adoption of beneficial management practices, increased safety of fuel storage and improved access to water sources.

We are pleased to report the signing of a 30-year lease agreement for a 65 hectare parcel of land on the Mayo Road to enable the Yukon Agriculture Association to proceed with planning for a central agriculture facility to serve the industry and the Yukon public.

It is also important to note that the Yukon government's agriculture newsletter, "InFARMation", marked its 25th Anniversary in April of 2012.

The forest industry is another contributor to economic diversity. Our government, the Tr'ondëk Hwëch'in government, the Dawson District Renewable Resources Council and the regional forest industry worked collaboratively together to develop a strategic plan, the Dawson Forest Resources Management Plan.

Forest management plans provide the framework to ensure certainty for the land base, sustainable harvest levels and economic opportunities while integrating ecological, traditional heritage and other community values.

Similarly last July, the Champagne and Aishihik Yukon Forest Management Implementation Agreement was renewed to provide an updated vision for achieving forest-based social and community economic development objectives.

The Liard First Nation has also recently expressed an interest in working with the private sector and the Yukon government to revive the forest industry in southeast Yukon.

Our government is enhancing the family-friendly focus of the Gunnar Nilson – Mickey Lammers Research Forest by adding a forestry themed playground.

Mr. Speaker, our government is also investing in film and sound. The Yukon Film and Sound Commission will be attending the Association of Film Commissions International Locations Trade Show on June 28th and 29th, 2013 in Los Angeles in order to promote Yukon as a location for filming. In partnership with the Northern Film and Video Association, the Yukon Film and Sound Commission has provided $30,000 to manage, market and deliver experiential training and coursework in factual documentary series production, for up to ten teams of Yukoners.

Our government is also sending six Yukon music industry businesses to Canadian Music Week in Toronto this month to further develop their skills.

Gold Rush Season 4 will be shot in the Dawson area this year and Yukoner Werner Walcher will be filming his three-part series "Call of the Wild" for Omi Television.

Our government is funding the Cold Climate Innovation Centre for the next four years in the amount of $558,000 per fiscal year.

The commercialization of climate change technologies will provide important economic opportunities for Yukoners and contribute to the diversification of Yukon's economy.

We are participating as well as co-chair of the Northern Communications and Information System Working Group and have recently initiated the Pan-Northern Connectivity: Ensuring Affordable Communications Projects with funding to be provided by CanNor.

The project will provide strategic and implementation plans for northern Canadian telecommunications connectivity, building on our initiative to improve the communications environment in Yukon with our counterparts in the North.

The Department of Economic Development is also actively engaged with CRTC's review of Northwestel's Regulatory Framework, Modernization Plan and other related matters.

While our government has questioned some elements of Northwestel's Modernization Plan, we believe that there will be significant and on-going benefits to Yukon as a result of that plan – in particular 4G wireless and upgraded internet in every community.

PROTECTING AND PRESERVING OUR ENVIRONMENT AND WILDLIFE

Mr. Speaker, on the 10th Anniversary of the Devolution Transfer Agreement, I believe it is fitting to review the Yukon Party government's track record in relation to environmental protection.

Because of devolution, Yukon Party governments were the first Yukon governments to be in a position to protect and preserve Yukon's environment and wildlife without direction from Ottawa.

It is a fact that the successive Yukon Party governments have done more to protect and preserve Yukon's environment and wildlife than any previous Yukon governments.

Prior to withdrawing any land for protection within the Peel Watershed Region, Yukon currently has 12.68 percent of its land protected, second only to British Columbia.

Since assuming office in 2002, Yukon party governments have identified six territorial parks and seven habitat protection areas.

Mr. Speaker, the protection of additional lands in the Peel Watershed Region will likely make Yukon the leading jurisdiction in Canada in terms of environmental protection of its land area.

Whatever the amount of land that the Yukon government protects in the Peel Watershed Region, it will never be enough to satisfy the demands of the Canadian Parks and Wilderness Society (CPAWS).

CPAWS has a grand design for Yukon that is called Y2Y or Yellowstone to Yukon.

Y2Y is a joint U.S.-Canada non-profit organization that works with more than 110 organizations to implement a shared vision for conserving the biodiversity of a 500,000 square mile or 1.3 million square kilometre region stretching from Yellowstone National Park in Montana to the Peel Watershed Region in northern Yukon.

The Peel Watershed Region is in fact the northern anchor of this grand vision to create a corridor for Alaskan grizzly bears to allow them to wander down to Montana.

Established in 1997, Y2Y has offices in Canmore, Alberta and Missoula, Montana and between 1997 and 2012 it raised more than $46.5 million in conservation funding for the Yellowstone to Yukon region.

In 2009, Y2Y was successful in having the Nahanni National Park Reserve in the Northwest Territories expanded to become the largest core-protected wildlife habitat in the entire Yellowstone to Yukon system.

In Yukon, Y2Y is working with the territorial chapter of CPAWS and the Yukon Conservation Society.

Y2Y's demands for new protected areas will not stop at the Peel Watershed Region.

Its next targets for protection include the Wolf Lake Ecosystem in south central Yukon including Teslin and the entire Upper Liard Basin in southeast Yukon including Watson Lake.

You can bet the bumper stickers are already prepared.

Mr. Speaker, should Y2Y succeed in protecting all these areas in conjunction with the existing parks – Ivvavik, Vuntut, Tombstone and Kluane – Yukon as we know it today would cease to exist.

Most of Yukon would be covered by parkland and the territory's resource-based economy would not be able to sustain itself nor our current population, resulting in a substantial loss of jobs and an exodus of people. No jobs means no people.

CPAWS is not trying to save Yukon for Yukoners. It is trying to save Yukon from Yukoners.

Yukoners have to ask themselves if this is what they want.

Yukoners should be asking the territory's political parties if they support the Y2Y initiative.

The Yukon Party, for the record, does not support the Y2Y initiative.

Mr. Speaker, while we do not support the Y2Y projects or the CPAWS agenda of making the Peel region the northern anchor of Yellowstone to Yukon, we do support environmental protection and are committed to preserving Yukon's wilderness beauty. We have created large protected areas and parks, and we intend to create more. But we believe environmental protection starts with effective regulations that set high standards, while allowing responsible use – and this balanced approach is the best way to manage most areas of Yukon, including the Peel planning area.

Our proposed creation of Restricted Use Wilderness Areas in the Peel region allows for potential economic activity, while capping the maximum footprint of all activity at significantly less than 1%. Doing this would ensure that 99.8% of the areas remains pristine wilderness – while allowing for the potential of responsible uses that provide significant economic benefit to Yukoners, and preserving both pristine wilderness and economic opportunities for future generations.

Mr. Speaker, it is critical we find that proper balance that the Final Recommended Plan failed to achieve.

The mineral wealth of the Peel Watershed Region could sustain the territory for generations to come.

The size and value of the Crest ore deposit alone are astronomical. The estimated volume of iron ore in the conceptual pit or just 15 percent of the total estimated deposit is 1.68 billion tonnes. Based on the 5 years average price of iron this fraction of the deposit would have a market value of $139.7 billion.

It would be irresponsible for any Yukon government to declare that this resource potential is off limits.

Future generations of Yukoners cannot afford to have this generation ignore the economic value of potential future development of large mineral resources like the Crest iron ore deposit. That deposit is a large strategic resource, and the former Commission acknowledged that it could provide over 100 years of economic benefit to Yukoners if it were to be developed. This government will not deny Yukon's children, grandchildren and great-grandchildren the potential of economic benefit from responsible resource development.

Providing financial compensation for expropriation simply would not be possible as it would be far beyond the financial means of any Yukon government, both now and for the foreseeable future.

Accordingly, we are continuing to follow the planning process set out in the Umbrella Final Agreement and are now nearing the end of that process.

After completing consultations with affected First Nations, we will be adopting a plan that protects the environment and respects all sectors of the economy.

Mr. Speaker, when it comes to protecting and preserving the environment, the protection of the territory's vast water resources is high on our list of priorities.

Our government is in the process of developing a Yukon Water Strategy. A draft of the strategy is currently out for public review.

When complete, the Yukon Water Strategy will help protect groundwater resources, ensure Yukoners have access to safe drinking water, promote the sustainable use of water, and improve the generation and use of water information by water managers.

The 2013-2014 Budget, like previous Yukon Party government budgets, continues to appropriate considerable financial resources to ensure Yukon communities have access to clean drinking water.

Numerous multi-year programs are being carried out by the Department of Community Services under the Building Canada Plan, to improve water and wastewater systems throughout Yukon totalling $23.244 million and a further $3.519 million for the water and sewer extension project at the Erik Nielsen Whitehorse International Airport.

Some of the larger projects include: $2.965 million for Faro water and sewer pipe replacement and pumphouse; $4.191 million for Haines Junction water reservoir and pump system upgrades; 1.823 million for Watson Lake water and sewer pipe replacement and wet well; and $1 million each for water treatment plant construction in Deep Creek and community water supply upgrades at Mendenhall.

A number of individuals from Old Crow are currently being trained to operate their community's water treatment plant, creating local employment through an operator's course being offered at Yukon College.

Our government is utilizing its share of Gas Tax Fund projects, totalling $1.865 million, to upgrade solid waste management systems and related recycling and composting in unincorporated Yukon communities. Projects include solid waste management plans, construction of cells for household and construction waste and upgrades to the Ross River solid waste facility.

A further $2 million is being made available under the Building Canada Plan for solid waste management system improvements.

Mr. Speaker, our government continues to invest in FireSmart and maintain historical funding levels. The FireSmart program reduces the threat of wildfire in and around communities and neighborhoods across the territory.

A new Wildland Fire Management aircraft contract valued at $3.001 million has been approved to better protect Yukoners and Yukon communities.

Two full turbine air tanker groups will be deployed this fire season to complete the upgrade of our air tankers begun in 2012.

These turbine aircraft are faster so they improve response times, carry heavier payloads and meet current North American standards for air tankers.

Mr. Speaker, I have already mentioned the remediation plans for the Faro Mine, however, our government is carrying out remediation work at other sites as well, namely: $800,000 for continued remediation of the Klondike River Highway camp; $350,000 for the initiation of Phase 1 Clean-up of the Marwell Tarpit; and $30,000 for initial work on the Dawson Highway camp.

Our government is also allocating $750,000 as part of the Whitehorse waterfront revitalization project treating contaminated soils removed from old ship yards sites.

The 2013-2014 Budget has identified $500,000 for the second year of four years of funding for climate change research projects.

The Department of Environment's Climate Change Secretariat administers these funds that are 100 percent recoverable from Aboriginal Affairs and Northern Development Canada through its Climate Change Adaptation Program.

Nine projects are now underway in the territory that will help increase awareness of the risks associated with climate change and help develop creative and innovative solutions for our northern environment.

Mr. Speaker, since the development and release of our government's Climate Change Action Plan in 2009, considerable progress has been made on the priority actions identified. The progress report released in 2012 sets out the significant work done throughout the government over the last three years.

Environment Yukon continues to conduct fish and wildlife inventory projects in support of population monitoring, harvest management programs, land use planning and habitat management.

Environment Yukon has surveyed fish and wildlife populations for over twenty five years. These surveys focus on highly accessible areas and are conducted to address management concerns and answer questions of interest to hunters, trappers, outfitters, land use planners, resource developers and fishers.

Over the course of last summer and winter, thirty four inventory projects were completed. The department's Fish and Wildlife Branch Highlights Report provides an overview and highlights of inventory activities, all of which are posted to the public website annually.

Mr. Speaker, capital improvements are necessary to assist our Conservation Officers in carrying out their duties.

Accordingly, the 2013-2014 Budget includes $1.675 million to construct a new District Office in Watson Lake in order to house Conservation Officer Services, the Fish and Wildlife program and seasonal parks staff.

Another $219,000 has been allocated to provide an addition to the Carmacks District Office in order to accommodate one new conservation officer and a part time field operations assistant added to this district.

I am pleased to report that a new campground will be built on Atlin Lake. Yukon has held a campground reserve in this location since the 1970's and we have now decided to move ahead with a new campground in this location.

The 2013-2014 Budget is allocating $780,000 to carry out planning and begin construction of the new campground this summer.

The Parks Branch of the Department of Environment has completed the reconstruction and boardwalk at the very popular Five Finger Rapids Recreational Site to improve public access.

Mr. Speaker, I would be remiss if I did not mention that the 2013 Environment Fair will be held on Friday, May 10th and Saturday, May 11th at the Canada Games Centre.

This year's theme is "Born to be Wild" and will have a family-oriented focus.

The Department of Environment co-hosted the Yukon North Slope Conference in October 2012 in Whitehorse. The Yukon North Slope Conference is held every three years to promote public discussion among aboriginal people, governments and the private sector with respect to management co-ordination for the Yukon North Slope.

The theme of the 2012 conference was "Arctic Wildlife Conservation and Co-Management – Lessons Learned and Future Challenges" with 156 delegates from all levels of government in attendance.

Regional bedrock mapping and targeted studies will be undertaken to enhance our understanding of the onshore and offshore geology of the North Slope and offshore Beaufort Sea.

The offshore in particular has potential for significant energy resources; however, the geology of the area is very poorly understood. This research will leverage over $600,000 from Germany, France and U.S. research collaborators.

ACHIEVING A BETTER QUALITY OF LIFE

Mr. Speaker, "Achieving a Better Quality of Life" is one of the four main pillars of our 2011 Election Platform, "Moving Forward Together".

One of our major commitments in that platform was to build a new secondary school in Whitehorse to replace F.H. Collins.

I want to reassure students, parents and teachers that we fully intend to meet that commitment.

The bids on the design concept for the new F.H. Collins school that went out for public tender, however, came in 21 percent, almost $10 million, above the government's pre-tender estimate.

Mr. Speaker, our government is committed to the principle of fiscal responsibility and it is for that reason we will not be proceeding with the tendered design concept.

This Finance Minister can find many priorities for $10 million.

Instead, we will use a design concept that has already been constructed successfully and economically in other jurisdictions.

Another advantage of proceeding with this new campus-style design is that it allows students to continue their studies in the current facility and use the existing gym without interruption while the construction of the new school begins in a timely manner.

I have already mentioned the Centre for Northern Innovation in Mining to be established at Yukon College.

Our government is also providing $1.1 million in this budget for Yukon College to purchase a mobile trades training trailer for welding, electrical, millwright and piping training across the territory as well as rural dual credit trades training.

Yukon College will be receiving $276,195 for the development of a new Primary Care Paramedic Program at the college which means students will no longer have to leave the territory to receive high level emergency medical services training.

The Department of Education's Rural Strategy has allocated $349,000 to enhance current rural programming and implement new initiatives designed to improve programming, address gaps, and improve student achievement outcomes.

A further $750,000 is being provided to implement a replacement for the Yukon Student Information System.

The Department of Education is continuing to support the Yukon Literacy Coalition's Family Literacy Centre with a $200,000 contribution.

Starting in 2013-2014, our government is contributing $75,000 over three years to the Canadian Centre for Child Protection. On February 5th, 2013 – Safer Internet Day – the Yukon government and the Canadian Centre for Child Protection launched a public awareness campaign to promote cybertip.ca. Interactive safety education materials have also been distributed to Yukon schools.

This year the Justice Minister's policing priorities were informed by recommendations from the newly created Yukon Police Council. The council was created out of a recommendation flowing from the Review of Yukon's Police Force.

Our Minister of Justice has communicated five priority areas of focus for policing, namely: reduction of the victimization of children and youth; improving the response to sexualized assault and family violence; addressing community safety issues; building relationships with First Nations and responding to vulnerable populations.

The Arrest Processing Unit will be built this year adjacent to the new Whitehorse Correctional Centre as a replacement for RCMP cells.

This $3.086 million initiative was one of the principal recommendations of the Sharing Common Ground Report and will allow the RCMP and Department of Justice to achieve better outcomes for persons temporarily held in cells by allowing them to access health care if required at WCC and be monitored by specially trained staff.

The 2013-2014 Budget includes $62,600 for a position to support Yukon First Nations community police services including oversight for 16 RCMP members presently funded under the First Nations Policing Program.

The First Nations Community Policing Officer will act as a liaison between First Nation communities and RCMP "M" Division.

Canada announced the cancellation of funding for First Nations Policing Coordinator positions across Canada last year. Yukon felt this position was critical and therefore has added the funding for a re-profiled First Nations Community Policing Officer in the 2013-2014 territorial policing budget.

Mr. Speaker, our government has been working hard to meet the housing needs of Yukoners and the demand for developed lots.

The 2013-2014 Budget is appropriating $7 million of $12.638 million over three years for the construction of a 34-unit social seniors building in downtown Whitehorse. The construction of this new building will commence this year and be completed in 2014-2015.

The Yukon Housing Corporation and the Women's Directorate continue to work in partnership to support a part-time, on-site Program Coordinator for the Whitehorse Affordable Family Housing Complex in Riverdale. The Program Coordinator provides programming and support services for tenants who are single parents.

The construction of Betty's Haven Second Stage Housing is on time and on budget. This second stage housing project will provide 10 units of housing for women who are ready to leave the transition home. A total of $4.5 million, with $1.2 million appropriated in 2013-2014, has been committed to the construction that will provide supportive, secure and affordable housing for up to 18 months to women and their children who are fleeing abuse.

A 6-unit social senior complex is being planned for Mayo with site remediation and planning to be completed in this fiscal year and construction being scheduled for 2014-2015.

An allocation of $359,000 has been made in 2013-2014 for this purpose.

The Yukon Housing Corporation recently announced a new loan program targeted at working Yukoners to assist them with obtaining the down payment required to enter the housing market.

In May 2012, our government announced a long-term partnership with Habitat for Humanity and the donation of land in Whistle Bend for homes.

Two duplex lots in Phase 1 and 2 are being gifted to Habitat for Humanity to continue its mission of providing affordable home ownership to Yukon families.

The Yukon government has committed to providing a lot in each of the five stages of Whistle Bend to Habitat for Humanity Yukon.

As for Whistle Bend itself, $25.665 million including the $165,000 for the Habitat for Humanity lot is being provided for completion of Phase 1 and 2 and $500,000 to plan Phases 3, 4 and 5.

The Whistle Bend subdivision is the largest land development project ever undertaken in Yukon. Once complete, the Whistle Bend subdivision is envisioned as a neighborhood for 8,000 residents, complete with transit service, a town square featuring public parkland and retail shops, space for a school, plentiful green space and many kilometers of paved and unpaved trails.

A further $4.425 million is being allocated for industrial, residential, cottage-recreational and agricultural lots in Carmacks, Dawson City, Mayo, Teslin and Watson Lake.

Community Services has commissioned a $300,000 land development study to guide long-term, territory-wide investment in land development.

The Land Development Branch is meeting with communities and First Nations in 2013 to share survey findings and seek their feedback to guide implementation of key components of the study and to help them develop land release plans to meet their long-term needs.

Our government is working with the City of Whitehorse to initiate a MacLean Lake lot feasibility plan and Long Lake subdivision feasibility plan with an investment of $400,000.

Mr. Speaker, the Department of Health and Social Services is proceeding with our platform commitment to replace the Alexander McDonald Lodge in Dawson City. The credit for this initiative rests with the former MLA for Klondike, Steve Nordick.

The McDonald Lodge replacement structure will be a single story modular design/build continuing care facility with a 15 bed capacity to be built on the property currently occupied by the Health Centre and beside the new hospital.

The 2013-2014 Budget is appropriating $7.262 million for this facility that will provide enhanced programming including respite and convalescent care.

Our government is also meeting its platform commitment to enhance Homecare. Additional Homecare funding will allow residents to remain home longer and reduce or replace the need for expensive acute care or long term residential care services.

Health and Social Services has budgeted $429,000 for the enhancement of the Homecare program. We are also increasing support services to children and adults with disabilities. Examples include: $50,000 for the Handibus; $364,000 to support adults with disabilities day programming and residential services; $200,000 to increase access to services and equipment for children with disabilities; and provision for an additional speech and language pathologist position at the Child Development Centre.

Mr. Speaker, the Continuing Care Division of Health and Social Services recently achieved Accreditation with Exemplary Standing throughout all programs and services. Accreditation Canada grants this highest award of excellence to denote an outstanding level of performance and organizational commitment to ongoing quality improvement.

In September 2012, Yukon Continuing Care conducted a three-day on-site survey as part of the ongoing quality improvement process through Accreditation Canada.

All facets of work were surveyed, including standards in leadership, infection prevention and control, homecare services, long term care services, palliative care services, and medication management.

Yukon Continuing Care met 96.3 percent of the standards set by Accreditation Canada, including all Required Organizational Practices and 97.4 percent of all High Priority Criteria.

Mr. Speaker, this is a remarkable achievement.

Another good news story concerns nurse practitioners.

Nurse practitioners will now be integrated into the health care system. Following amendments last fall to a number of pieces of legislation that recognize nurse practitioners, as well as passage of the regulations governing the profession, nurse practitioners are now able to practice in their full scope.

The first nurse practitioner was hired by continuing care and the recent Yukon Medical Association agreement supports collaborative care, including nurse practitioners within family practices which will enhance the provision of primary health care within the territory.

The new five year agreement negotiated in October with the Yukon Medical Association addresses a variety of initiatives and focuses on increasing access to health care while at the same time recognizing the need to guard social programs into the future.

The $8.5 million agreement over 5 years addresses on-going challenges with recruiting and retaining family practitioners as well as access to physician services in rural and remote areas as already noted with respect to collaborative care.

A recruitment and retention officer started in January in order to focus the department's efforts on a variety of physician recruitment efforts.

Our government is making it easier for doctors to learn about opportunities in Yukon through the newly-launched www.yukonmd.ca website which provides information on career opportunities, benefits, hospitals, physicians and communities.

While one of the department's priorities has been to find international medical graduates for Watson lake, it is also important to recruit physicians for Whitehorse and a few physicians have stepped forward to assist by travelling with the office to spread the word about Yukon.

Mr. Speaker, if you are going to recruit physicians, you have to have a place to put them.

While the Auditor General has been critical of the planning around the community hospitals in Dawson City and Watson Lake, the people in those communities and in the surrounding areas are well aware of the value of those facilities. Dawson City, Watson Lake and Mayo have all had a long history of access to hospital care that has eroded over time, leaving many rural Yukoners feeling like second class citizens when it comes to hospital care.

Moreover, access to hospital care for rural and remote communities, mining operations and other industries is a critical consideration in attracting workers, investors and new residents to communities.

Mr. Speaker, our government in planning for the replacement of the Sarah Steele Building supports a new facility that allows for the expansion and enhancement of alcohol and drug services and promotes the development of innovative responses to addictions and mental health issues. It also addresses key recommendations of the Task Force on Acutely Intoxicates Persons at Risk. Program planning for the Sarah Steele Building replacement will include medical detox, a transition unit, youth detox and a youth inpatient or family unit. Initial funding of $900,000 is being provided to carry out this work.

Mr. Speaker, non-governmental organizations or NGOs provide invaluable service in many areas that government simply isn't in a position to provide.

In recognition of their service, $460,000 is being provided to various NGOs to support the work and professional contribution of their staff.

The Women's Directorate has committed $150,000 per year for three years to support Aboriginal women's organizations to develop three-year community-based projects to address the recommendations from the Yukon Aboriginal Women's Summit 2 in order to advance the social, economic and legal equality of Aboriginal women in Yukon.

A Women's Equality Fund amounting to $300,000 per year is providing support for eight women's organizations focusing on direct services to women, research and advocacy and public education.

Mr. Speaker, community infrastructure is a key determinant in contributing to Yukoners' quality of life.

This year's $1.477 million increase for a total of $18.055 million in the Comprehensive Municipal Grant funding will strengthen municipal programs, services and infrastructure and improve the quality of life for all Yukoners.

Projects to be announced in the 2013-2014 Building Canada Annual Capital Plan will continue to provide major benefits in Yukon communities. The full scope of projects totalling $3.405 million will be announced this spring by Yukon and Canada.

Final Work on the Whitehorse and Carcross waterfront projects will wrap up this summer. These multi-year projects have resulted in the beautification and rejuvenation of these historically significant areas of these two communities. Now residents and visitors alike are drawn to these areas creating economic benefits for the entire territory.

Beaver Creek is getting a major $3.668 million face lift with the construction of a new Beaver Creek Fire Hall, EMS and Search and Rescue facility. The new facility will enable training, skills development and team building among emergency responders so that they are better able to help visitors, neighbors and families in the community along the Alaska Highway.

The Ross River Public Works Building will be officially opened upon completion later this spring. It will house the community's fire truck and other public works vehicles and new water treatment plant. The two projects combined represent $7 million investment under the Building Canada Plan.

The Emergency Response Centre in Whitehorse will be completed this fall with full operations starting mid-summer. This new centre will house a permanent, central ambulance station that will improve response times and enhance ambulance services.

Our government is providing $310,000 to purchase two new ambulances. Our professional responders are expected to field more than 5000 calls in Whitehorse and 1300 calls in rural Yukon in 2013-2014.

Similarly we are providing $610,000 to purchase a new pumper-tanker and a new tanker for Yukon's territorial fire service as part of the Fire Marshal Office's integrated territorial fleet modernization and upgrading program.

A further $765,000 is being provided for a mobile live-fire training trailer that will improve firefighter training for exterior and interior fires.

Investments in volunteer fire department gear and equipment upgrades will be another $387,000.

In addition to capital enhancements, our government is investing $1.71 million in the Fire Marshal's office to increase the number of Deputy Fire marshals, training for volunteer fire fighters, and to continue public awareness campaigns about how to safeguard home and family from carbon monoxide and structural fire.

Mr. Speaker, some communities have to contend with floods as well as fires.

Our government is providing $750,000 to find a permanent engineering solution for winter flood abatement along the Mayo River to safeguard the community as well as erosion control in Upper Liard to protect homes on the south side of the river as a result of damages from the floods in 2012.

Libraries play an important role in community life and our government is relocating the community libraries in Beaver Creek and Carmacks to the schools.

The Department of Education has budgeted $130,000 for renovations to the schools to accommodate the library moves.

It is interesting to note that Wi-Fi access is now available in 7 community libraries as well as Whitehorse, with three new locations planned for the coming year.

The E-book program is also wildly successful with over 800 books in use now and several hundred more being added in the coming year. There are now over 600 users who have borrowed items over 5200 times.

Mr. Speaker, sport and recreation are not only important to community life; they affect the lives and health of individual Yukoners. This year our government will continue to invest $1.635 million to support the continued achievement of Yukon's sport and recreation organizations, athletes, coaches and officials, all of whom contribute tremendously to building healthy and vibrant communities throughout Yukon. This annual funding provides vital support to sport and recreation programs for Yukoners of all ages and abilities.

In order to increase participation and access to sport in the territory, our government is renewing our sport bilateral agreement with the Government of Canada which will flow nearly $1.7 million over three years starting in 2012-2013 to continue to support the efforts of local sport organizations and communities.

The Government of Yukon will contribute $934,000 and Canada will contribute $755,000. The funding will directly benefit organizations like the Kids Recreation Fund, sport governing bodies and community sport and physical activity leaders, all of which provide programs that support participants, coaches, officials and our young rural and aboriginal athletes.

We are also supporting Team Yukon's participation in the 2013 Canada Summer Games and to prepare Team Yukon for the 2014 North American Indigenous Games that will be held in July.

Major games are a critical element in Yukon's athlete, coach and officials development programs which create new opportunities for athletes to excel and grow, and to build Yukon's sports system by developing the skills of our coaches and officials.

Our government is fulfilling its commitment to construct the new Ross River Recreation Centre. Work is scheduled to begin this spring.

The 2013-2014 Budget is appropriating $6 million for this new $7 million, energy efficient and accessible recreation centre. The centre will be an important gathering place for youth and community members that will promote active and healthy living. It includes a hockey arena and multi-purpose areas suitable for sport and recreation programming.

Mr. Speaker, in speaking of active living I am pleased to report that our government has met another one of its 2011 platform commitments.

We are investing $250,000 in active living programs to implement the Renewed Yukon Active Living Strategy and to boost physical activity levels among Yukoners of all ages and to help combat childhood obesity.

PRACTISING GOOD GOVERNANCE

Mr. Speaker, practising good governance is another major pillar of our 2011 Election Platform.

Good governance means implementing cooperative governance and forming partnerships.

Yukon will chair and host the annual Northern Premier's Forum meeting this spring. I will be meeting with my two territorial colleagues, Premier Bob McLeod of the Northwest Territories and Premier Eva Aviak of Nunavut, to discuss issues of common interest and priorities outlined in the pan-territorial Northern Vision. These include issues relating to Arctic sovereignty and security, sustainable economies in the North and intergovernmental relations.

Yukon is looking forward to working closely with the federal government to ensure the Canadian chairmanship of the Arctic Council is successful.

Canada officially takes over the chairmanship from Sweden in May, and has committed to ensuring the territories have a key role for the next two years.

Meetings will be held in all three jurisdictions and we have had many discussions with Canada to ensure the priorities it has outlined for its chairmanship are aligned with ours.

As interest in the circumpolar countries and the Arctic increases, Yukon will be at the forefront of activity.

This summer Yukon will host the 2013 Ministers of Local Governance Conference in Whitehorse. The key focus will be the highly anticipated federal infrastructure funding program to replace the Building Canada Fund which expires in 2016.

Yukon will host Operation Nanook 13 in August. Primarily a Canadian Forces annual northern sovereignty operation, the Yukon component of Operation Nanook will involve a scenario whereby a massive forest fire is threatening Whitehorse, much like the forest fire of 1958. This exercise will give Government of Yukon and Government of Canada managers, Canadian Forces personnel and our partners an opportunity to test and improve our joint capacity for timely and integrated emergency response.

On June 1, 2013, the official grand opening celebrations of the Champagne and Aishihik First Nations' Da Ku Cultural Centre will be celebrating the 20th Anniversary of their signing the self-government and Final Land Claims Agreement.

This building was funded through the federal MRIF program with equal $4 million contributions by all three levels of government, plus a $5 million investment by Parks Canada. The centre houses both Parks Canada's information centre and the Yukon Visitor Information Centre. It is a shining example of cooperative governance.

Mr. Speaker, good governance means developing and implementing appropriate legislation and regulations.

Community Services is currently developing the *Residential Landlord and Tenant Act*. The new Residential Tenancies Office is being created and a new Director has been hired. A consultation on matters contained in regulations, including minimum rental standards, will take place later this year.

Community Services is working towards having the legislation ready to proclaim and the new office opened in Fall 2013.

The *Employment Standards Act* is being amended to ensure Yukon workers have job protection and access to new federal benefits in the event they must look after critically ill children or must endure the tragedy of missing or murdered children.

The Land Titles Modernization project that was announced in the spring of 2012 has completed its preliminary consultation schedule and is now in the process of continuing on to Phase 2 of the project.

The advisory group consulted widely with stakeholders and was able to report their findings to the Minister of Justice at the end of December. The information will be used to inform the drafting of new legislation and to assist in drawing up specifications of a new Land Titles computer system and business practices. The public may access the reports on the consultation through the Department of Justice website.

Mr. Speaker, in this sitting our government will be introducing amendments to the *Building Standards Act*, *Fire Prevention Act* and *Electrical Protection Act* related to oil-fired appliances to improve public safety.

The regulatory provisions will require: that oil-fired appliances are installed by a qualified oil-burner mechanic; installation of smoke alarms in all Yukon residences; and installation of carbon monoxide detectors in all residences, including rental units, with a fuel-burning appliance or attached garage.

Action is being taken to provide training to increase capacity in the local oil-fired appliance industry, strengthen the regulatory regime and raise public awareness of heating system safety.

Good governance means the delivery of effective programs and services to Yukoners.

There will be a $270,000 increase in Home Owners' Grant due to an increase in homeownership in Yukon – a very positive sign, Mr. Speaker.

Our government is investing in a review of 9-1-1 services to determine the feasibility of expanding the service beyond the existing coverage areas to improve emergency response capabilities.

The Good Energy Program is intended not only to highlight the benefits of more efficient and new technology to the public and to provide savings immediately, but also to act as a catalyst for additional behavioural changes on the part of Yukon consumers.

Between 2007 and 2011:

- over 4,300 households have reduced their energy loads and costs through the purchase of Energy Star certified appliances;

- over 29 percent of Yukon households have participated in Yukon government energy efficiency programs one or more times;
- total lifetime electrical savings for the Good Energy Program is over 3 million kWh saved – enough to power 247 Yukon homes for a year.

Mr. Speaker, in keeping with the spirit of the Good Energy Program, our government will be investing $2 million in the Main Administration Building for planning and design for mechanical, electrical and structural upgrades to reduce energy consumption, reduce greenhouse gas emissions and address building code issues.

Good governance means making improvements in project planning, leasing and maintenance practices.

To this end, the Property Management Division of Highways and Public Works has developed a set of Portfolio Management approaches to measure real property assets, which seek to:

- match demand for property with available supply;
- dispose of liabilities and increase the value of assets; and
- strategically procure and manage real estate to minimize the real estate costs to governments.

This initiative has led to efficiency improvement in project planning, leasing and maintenance practices.

Good governance means improving government Corporate Informations Systems (Finance, Human Resources, Records, Land Information, Data Warehouse) and records management and storage.

Our government is investing $7.318 million to improve the Corporate Information Systems and $1.115 million for the Records Program Improvement Initiative (RPII) which is improving records management practices across government to a standard that will support the management of digital records.

Mr. Speaker, good governance means providing services to Yukon's Francophone community. For the first time, our government has established the French Language Services Directorate as a separate budget vote.

Accordingly our government is investing $289,000 to introduce three pilot projects related to French language service delivery in the health and social service sector and will develop a corporate four-year plan to achieve consistency with the *Languages Act* and the French Language Policy.

Yukon is embarking on a renewed relationship with the French community. Our partnership will focus on developing a more strategic approach to the delivery of french language services within the government to better meet the needs of French-speaking Yukoners.

Good governance means ensuring respectful workplaces in government and assisting Yukon government employees who have an illness or injury that affects their ability to work.

Our government is allocating $250,000 for the Respectful Workplace Office to implement a new government-wide approach to dealing with conflict and disrespectful behaviour in Yukon government workplaces, and $350,000 to implement the new Disability Management program, developed in 2012, to help manage our rising rates of long-term disability. The program aims to help workers stay at home or have an early and safe return to work.

Good governance means being open, accountable and fiscally prudent. Being fiscally prudent is a hallmark of our Yukon Party government administration.

Accordingly, in order to reduce interest payments, our government will contribute $27 million towards paying down loans that the Yukon Hospital Corporation incurred to finance the Thomson Centre, Crocus Ridge, and the Dawson City and Watson Lake capital projects.

In so doing, this will substantially reduce the debt servicing charges by $39 million in the long term and are reflected in the operation and maintenance transfers made to the Corporation.

For the second fiscal year in a row, we have included in the budget a summary of the consolidated information for the Yukon Government reporting entity. The consolidated financial summary includes, not only the departments identified in the appropriation bill, but also all other corporations that are included in the Yukon government reporting entity, namely: the Yukon Hospital Corporation, Yukon College, Yukon Development Corporation, Yukon Housing Corporation and the Yukon Liquor Corporation.

Our decision regarding the redesign of F.H. Collins School is another good example of fiscal prudence.

The 2013-2014 Budget, like its predecessors, includes a Multi-Year Capital Plan that enables Yukon's private sector contractors to plan ahead in relation to our commitment to stable predictable investments in key sectors of our economy.

We are committed to a multi-year plan of expenditures concerning Information Technology of $6.5 million, Capital Building Maintenance of $10.250 million, Land Development of $30.790 million in 2013-2014 and $121.280 million in the following three years to 2016-2017, and Transportation Infrastructure of $57 million in 2013-2014 and $135.3 million in the next three years to 2016-2017.

CONCLUSION – MANAGING PROSPERITY

Mr. Speaker, the 2013-2014 Budget is the second budget of our renewed mandate that continues the journey set out in our 2011 Election Platform, "Moving Forward Together".

This budget, like its immediate predecessor, is meeting our commitments to Yukoners budget by budget.

The 2013-2014 Budget is designed to manage the challenges that a growing prosperous economy brings.

This is a good budget for Yukon and Yukoners.

Mr. Speaker, I commend the 2013-2014 Budget to all Members of this House.

May God Bless Yukon.

May God Bless Canada.

And God save the Queen.